--- 7 Cigarettes - imperforate - “L.O. Grothe” - 1940-1942 ---

“L. O. Grothe” had been manufacturing tobacco products in Montreal since the plant first appeared with a *green license* as “Larue Tobacco” [**23-17**] on the Official List of 1904. Subsequently they were called the “Grothe Tobacco Factory” in the Official List of 1914. Their 1920’s cancellations were multiply rollered [**16-10-D**] in various colours of ink.

Designated as [**16-10-D**] in the Official Lists of 1935 and 1942, their stamps first appear in the cigarette cancellation collection in early 1939. At this time they were using a numerical ***weekly*** three digit dating code, in which the first two digits provided the ***week*** of the year, with the last digit giving the ***year***. By 1940 they had switched to the use of a ***monthly*** dating numerical code with the first digit (or digits) providing the *month* number, and the final digit giving the *year*.

The first listed “L. O. Grothe” date coded seven cigarette copy of **C-360** is from May 1942. The federal excise duty for *small cigarettes* (i.e. under 3 pounds per thousand) rose from the pre-war $ 4.00, to $ 5.00 per thousand in 1939, then to $ 6.00 in 1940. As the Province of Quebec imposed an additional tax of 10% on tobacco products in 1940, the manufacturers attempted to keep the price of their small pack constant by decreasing the number of cigarettes in a package. The pre-war pack of ten had been reduced to nine with the Budget of September 12th 1939, and had been further decreased with the Budget of June 23rd 1940 to eight cigarettes, for sale at 10¢ *across Canada*.

With the July 1st 1940 Quebec Budget (which had imposed a flat 10% provincial tobacco tax) the price of eight cigarettes *within the Province* had become an unpopular hard selling 11¢ per pack, and early in 1941 to alleviate public complaints, seven cigarettes was introduced for sale *in Quebec* at 10¢ per pack.

--- the cancellation reads horizontally inverted - a single copy to date ---

★**RC-375** - 7 cigarettes, imperf, coded **16-10D / 52** by “L. O. Grothe” in May 1942

[★RC-375]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1941	---	---	---	---	--	---	---	---	---	---	---	---
1942	---	---	---	---	**52**	---	---	---	---	---	---	---

--- the “L.O. Grothe” provisional surcharge for the Budget of June 1942 ---

When the Budget of June 24th 1942 under the “Special War Measures Act” imposed an excise tax of 1¢ per five cigarettes or fraction thereof, “L. O. Grothe” surcharged *on-hand* sheets of the seven cigarette **RC-375** with a three-line 3 mm. Gothic vermilion **2¢ / EXCISE / TAX** as the provisional **RC-499**. Undated, this company surcharge comes from June 1942.

★**RC-499** - “L. O. Grothe” 3 mm. vermilion surcharge, **2¢ / EXCISE / TAX** on 7 cigarettes, imperf,
of *on-hand* sheets of **RC-375** for the Budget of June 1942

--- the “L.O. Grothe” provisional surcharge for the Budget of June 1942 ---

When the Budget of June 24th 1942 under the “Special War Measures Act” imposed an excise tax of 1¢ per five cigarettes or fraction thereof, “L.O. Grothe” (obtaining fresh sheets of **RC-375** from Ottawa) surcharged these with a central vermilion compressed Gothic 6 mm. **2** as the company provisional **RC-506**. To date these tax compressed surcharges are all coded with **16-10D / 72** for July 1942.

★**RC-506** - compressed 6 mm. vermilion Gothic **2**, imperf,
the L.O. Grothe surcharge of **RC-375** coded **16-10D / 72** in July 1942

[★RC-506]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1942	---	---	---	---	--	---	**72**	---	---	---	---	---

--- the BABN 2c. / EXCISE / TAX surcharge - used by "L.O. Grothe" - 1942-43 ---

When the Budget of June 24th 1942 under the "Special War Measures Act" imposed an excise tax of 1¢ per five cigarettes or fraction thereof, for general distribution BABN surcharged the imperforate **RC-375** with their usual 6 and 3 mm. three line Gothic **2c. / EXCISE / TAX** as **RC-626**.

Under the June 1942 Budget, this seven cigarette package was probably sold *across Canada* at 10¢, while *in Quebec* with their 10% provincial tobacco tax, the ten cigarette package was retailed at 15¢.

--- the cancellation reads horizontally inverted - 6 copies to date ---

★**RC-626 - 2c. / EXCISE / TAX** on 7 cigarettes, imperf,
the BABN 6 and 3 mm. Gothic surcharge of **RC-375** for the June 1942 Budget,
coded **16-10D / 92** by "L. O. Grothe" in September 1942

[★RC-626]	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1942	---	---	---	---	--	---	---	82	92	102	112	---
1943	13	23	---	---	--	---	---	---	---	---	---	---

The September stamp exists with an upright and an inverted cancellation

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--- RC-689 - the "L.O. Grothe" 4c. / OO re-surcharge of RC-626 for the 1943 Budget ---

The Budget of March 3rd 1943 doubled the excise tax, and subsequent legislation restricted the manufacturers, as a wartime conservation measure, to cigarette packages of 18, 20, 22, 25, 40 and 50 cigarettes. Thus the seven cigarette sequence ceased in March 1943.

Prior to ceasing production of this size, for the Budget of March 1943, "L. O. Grothe" re-surcharged their remaining *on-hand* sheets of the imperforate **RC-626** in deep blue ink with a 5 mm. Gothic **4c.** and a 10 x 6 mm. blue *killer slug* **OO** as the company re-surcharge **RC-689**. The collection ***does not contain***, and I have not seen, a copy of this 1943 "L.O. Grothe" re-surcharge - **WANTED!**

File path is [c:\ MS - STAMPS \ C_STAMPS \ SERIES OF 1935 - C \ 7 cigarettes \ L. O. Grothe \ 16-10D],
In MS Word 2007 for Windows 7,
Formatted for a HP CP 1525 Laser Jet,
December 16th 2013, JBH